

Service Date: October 13, 2004

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER OF NORTHWESTERN ENERGY,)	UTILITY DIVISION
Application for Approval of 2004 Avoided Cost)	
Compliance Filing -- Schedules QFLT-1 and STPP-1)	DOCKET NO. D2004.6.96
)	ORDER NO. 6604a

INTERIM ORDER

On June 28, 2004, NorthWestern Energy (NWE) filed before the Public Service Commission (PSC) an annual application for approval of an avoided cost compliance filing, adjusting NWE's tariff schedules QFLT-1 and STPP-1. NWE requests PSC approval of adjusted schedules QFLT-1 and STPP-1 on an interim basis pending PSC review and determination on a final basis. NWE argues the present avoided cost calculations are based on computations previously approved by the PSC and all interests are protected during the interim period as the rates are subject to adjustment to the effective date with interest. The PSC grants NWE's request for interim approval of NWE's filing, including the adjustment of the rate-elements of schedules QFLT-1 and STPP-1. Approval is on an interim basis pending further proceedings, including a final order. The PSC advises that any implementation of NWE's proposal to modify schedule STPP-1 to address qualifying facility projects greater than 3 Mws should be accompanied by an explicit cautionary statement to all involved that the proposal has not been approved on a final basis.

Done and dated this 7th day of September 2004, by a vote of 4-1.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

BOB ROWE, Chairman

THOMAS J. SCHNEIDER, Vice-Chairman

MATT BRAINARD, Commissioner

GREG JERGESON, Commissioner
(Voting to dissent)

JAY STOVALL, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.